

NEWS RELEASE



OFFICE OF THE UNITED STATES ATTORNEY SOUTHERN DISTRICT OF CALIFORNIA San Diego, California

***United States Attorney
Carol C. Lam***

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For Immediate Release

NEWS RELEASE SUMMARY - April 25, 2005

United States Attorney Carol C. Lam announced that Robert Franklin Lenz, a former manager for a United States Postal Service ("USPS") Processing and Distribution Center, pled guilty today to a one-count Information charging him with theft of public money in the amount of \$430,311.71, in violation of Title 18, United States Code, Section 641, in connection with his scheme to steal postal money orders. Lenz entered his guilty plea in San Diego before the Honorable Jan M. Adler, United States District Court Magistrate Judge, subject to final acceptance of the plea by the Honorable Marilyn L. Huff, United States District Court Judge, at the time of sentencing.

As described in the Information and the underlying Complaint, from on or about December 2001 through on or about December 8, 2004, Lenz held the position of manager of internal controls, U.S. Postal Service, Margaret L. Sellers Processing and Distribution Center, located at 11251 Rancho Carmel Drive, Room 375A, San Diego, California. Lenz worked for the USPS for 33 years and recently retired. Lenz's activities came under scrutiny when an alert retail sales clerk noticed that Lenz was improperly taking stamps

without paying for them. Trained as an accountant, one of Lenz' duties was to receive checks on behalf of USPS from the companies that purchase undeliverable waste mail for recycling. The companies provided checks to the USPS, in care of Lenz, in varying amounts depending upon how much mail was recycled. After receiving the checks, Lenz was supposed to take the checks and deposit them in a USPS account. Rather than depositing the full amount of the checks, Lenz would direct the retail clerks at Sellers Center to deposit only a portion of the check and return the rest of the funds to him in postal money orders, claiming they were needed for USPS business. On some occasions, Lenz would direct the clerks to give him the full amount of the checks in postal money orders. Lenz regularly received thousands of dollars in postal money orders from each check he deposited. He would then use the postal money orders to pay personal expenses.

As part of his plea, Lenz admitted that from on or about December 12, 2001, through on or about December 8, 2004, he knowingly stole postal money orders worth approximately \$430,311.71. Lenz has agreed to pay full restitution to the USPS.

In announcing today's guilty plea, United States Attorney Lam said, "Mr. Lenz breached the trust of the public he was supposed to serve. His crime was a disservice to the many fine men and women who work for the United States Postal Service."

The case is the result of an investigation by the United States Postal Service.

A hearing is scheduled before the Honorable Marilyn L. Huff on July 25, 2005 at 9:00 a.m. for acceptance of plea and sentencing.

DEFENDANT

Robert F. Lenz

SUMMARY OF CHARGES

Theft of Public Money (18 U.S.C. § 641): Maximum punishment of 10 years' imprisonment, a maximum fine of \$860,623.42, and three years' supervised release.

AGENCY

United States Postal Service